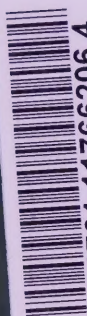


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**PETROLEUM  
INCENTIVES  
ADMINISTRATION**

ANNUAL  
REPORT  
1985



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**PETROLEUM  
INCENTIVES  
ADMINISTRATION**

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REPORT  
1985



Energy, Mines and  
Resources Canada

Énergie, Mines et  
Ressources Canada

## MINISTER'S MESSAGE

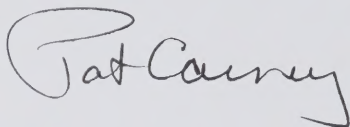
I am pleased to submit to Parliament the *Annual Report* of the Petroleum Incentives Administration (PIA) for 1985.

The year 1985 was a transition year for PIA because it marked the beginning of the phase-out of the programs that PIA administers. In deciding on the terms for the phase-out of the Canadian Ownership and Control Determination Program and the Petroleum Incentives Program (PIP), the Government has been influenced by the principle of fairness. The oil and gas industry was made aware of the Government's plans as early as 1984. In March 1985, we announced formally our decision that PIP would be gradually eliminated and we provided to industry a period of thirty-three months during which the phase-out would take place. Thus,

we maintained PIP in force, essentially unchanged, from March 1985 to March 1986. In addition, the Government has implemented a PIP grandfathering system under which frontier exploration commitments that were in effect in March 1985 would be honoured until December 1987.

In view of the long transition period that the Government decided on for the phasing out of PIP, it has been particularly important that PIA retain the services of many of its employees throughout this period. This happened during the first year of the phase-out. I want to thank those PIA employees who have remained with the program over the last year to ensure its continued efficient and effective administration.

I fully expect that the Government will be able to continue to count on the excellent PIA team to ensure that high standards of public administration are sustained for the continued orderly phase-out of the PIA programs.



Pat Carney  
Minister of Energy, Mines  
and Resources



Minister Pat Carney





## FOREWORD

This report covers the operation of the Petroleum Incentives Administration for the calendar year 1985.

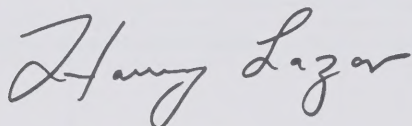
The year in review marked a period of transition for the Petroleum Incentives Administration (PIA). The Western Accord of March 28, 1985 between the governments of Canada, Alberta, Saskatchewan and British Columbia included a notice that the Petroleum Incentives Program (PIP) would be terminated after one year. Exploration and development activities undertaken after March 31, 1986 would no longer be eligible for PIP contributions apart from certain frontier projects (grandfathered activities) that would continue to qualify until December 31, 1987. To implement these decisions the Petroleum Incentives Program Act had to be amended. The required amendments received Royal Assent on March 26, 1986.

As a result of these developments, a principal challenge in 1985 was to plan and begin implementing the phase-out of the Petroleum Incentives Program and the Canadian Ownership and Control Determination Program. Industry was consulted to make the phase-out of the programs as fair and as simple as possible for them and to provide for a smooth transition to the new fiscal regime.

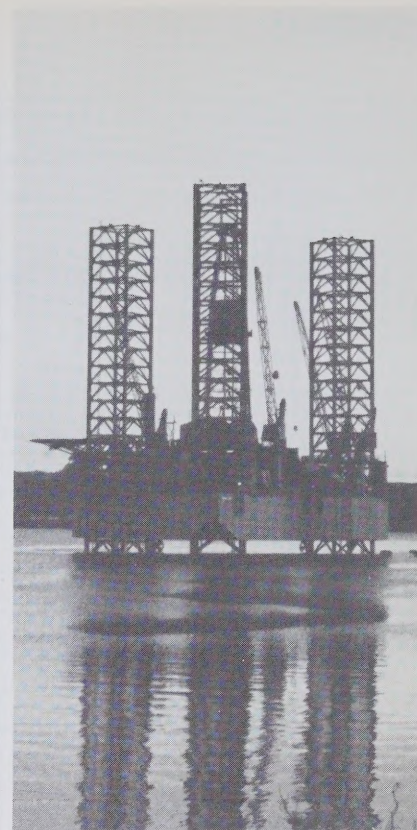
A related challenge for PIA was to begin the process of reducing staff because of the gradual elimination of the programs. This process has involved close consultation with individual PIA employees and their union representatives. I thank both groups for their cooperation.

Early in the year, C.G. Penney, PIA's first administrator, transferred to other responsibilities in the federal public service. I wish to acknowledge his outstanding contribution to the development and management of the Petroleum Incentives Administration.

The following pages review the year's activities for each of the two programs operated by the Petroleum Incentives Administration.



Harvey Lazar  
Administrator  
Petroleum Incentives  
Administration



Rowan Juneau, contracted to Mobil Oil Canada Ltd., and operated on the Scotian Shelf.

*Location of lifeboats on a drill rig.*

Aussi disponible en français

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*Bow Drill I, a semisubmersible drilling rig operating off the east coast of Canada.*



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## TECHNICAL NOTE

PIA annual reports contain statistics relating to oil and gas exploration and development activity for the year under review and the previous year. Thus, this report contains statistics for activities in both 1984 and 1985.

As the 1985 *PIA Annual Report* went to print, not all applications pertaining to the 1985 reporting year had been filed. Hence, some of the figures reported here for 1985 will be subject to revision. These revised figures for 1985 will appear in the 1986 *PIA Annual Report*.

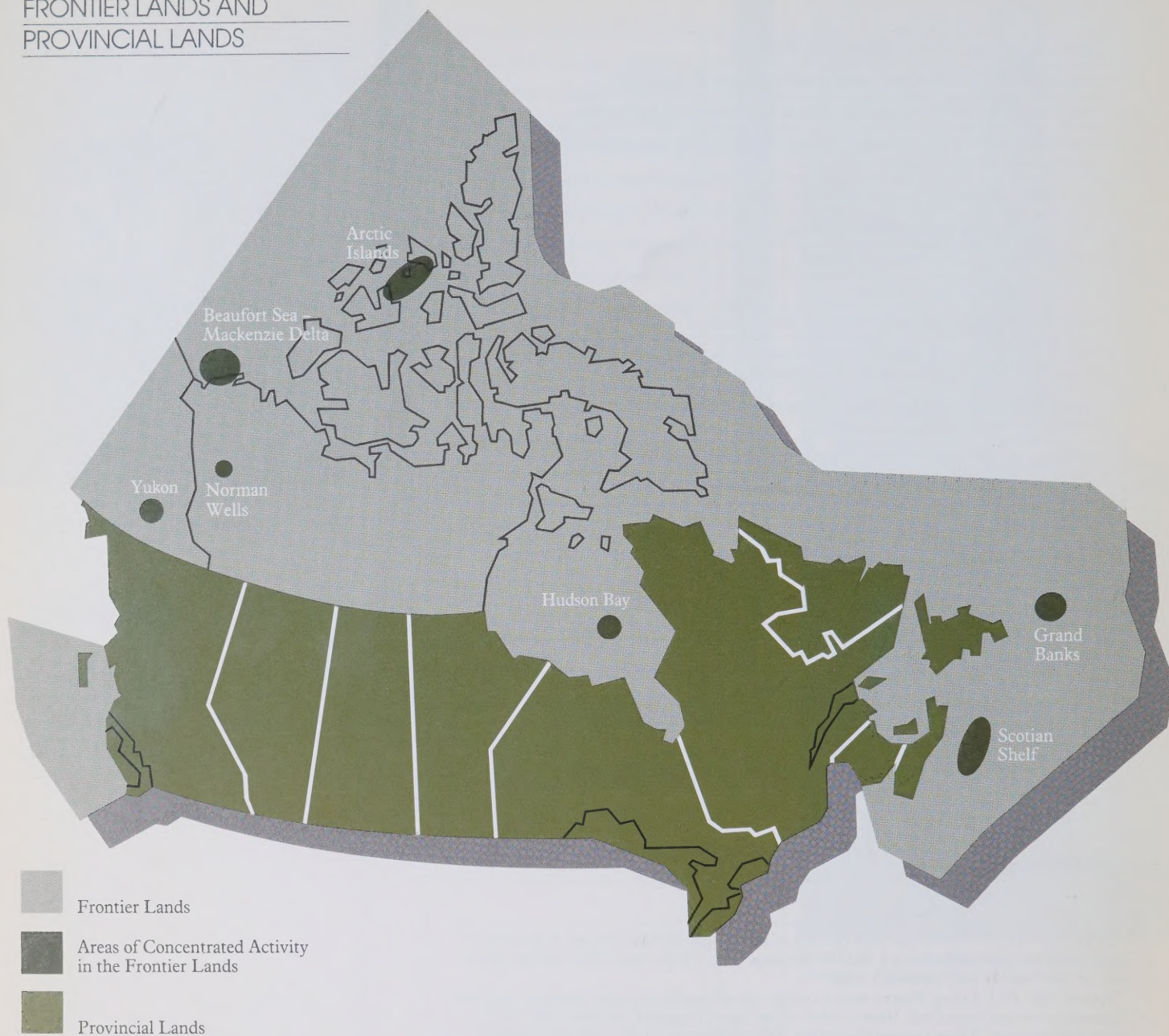
Similarly, some of the figures for 1984 which appear in this report are adjusted from the figures published in the annual report for 1984.



*View of sand bag - retained island, subsequently used for the drilling of one of the Adgo wells.*



FIGURE 1  
FRONTIER LANDS AND  
PROVINCIAL LANDS



**Frontier Lands, wells drilled or tested during 1985**

	Exploratory Wells	Development Wells
Yukon	2	—
Mainland N.W.T.	18	37
Mackenzie Delta	11	—
Beaufort Sea	14	—
Arctic Islands	3	—
Hudson Bay	2	—
Grand Banks	17	—
Scotian Shelf/Slope	15	—
Totals	82	37



**FIGURE 2**  
**MAJOR OIL AND GAS FIELDS**  
**OF WESTERN CANADA**

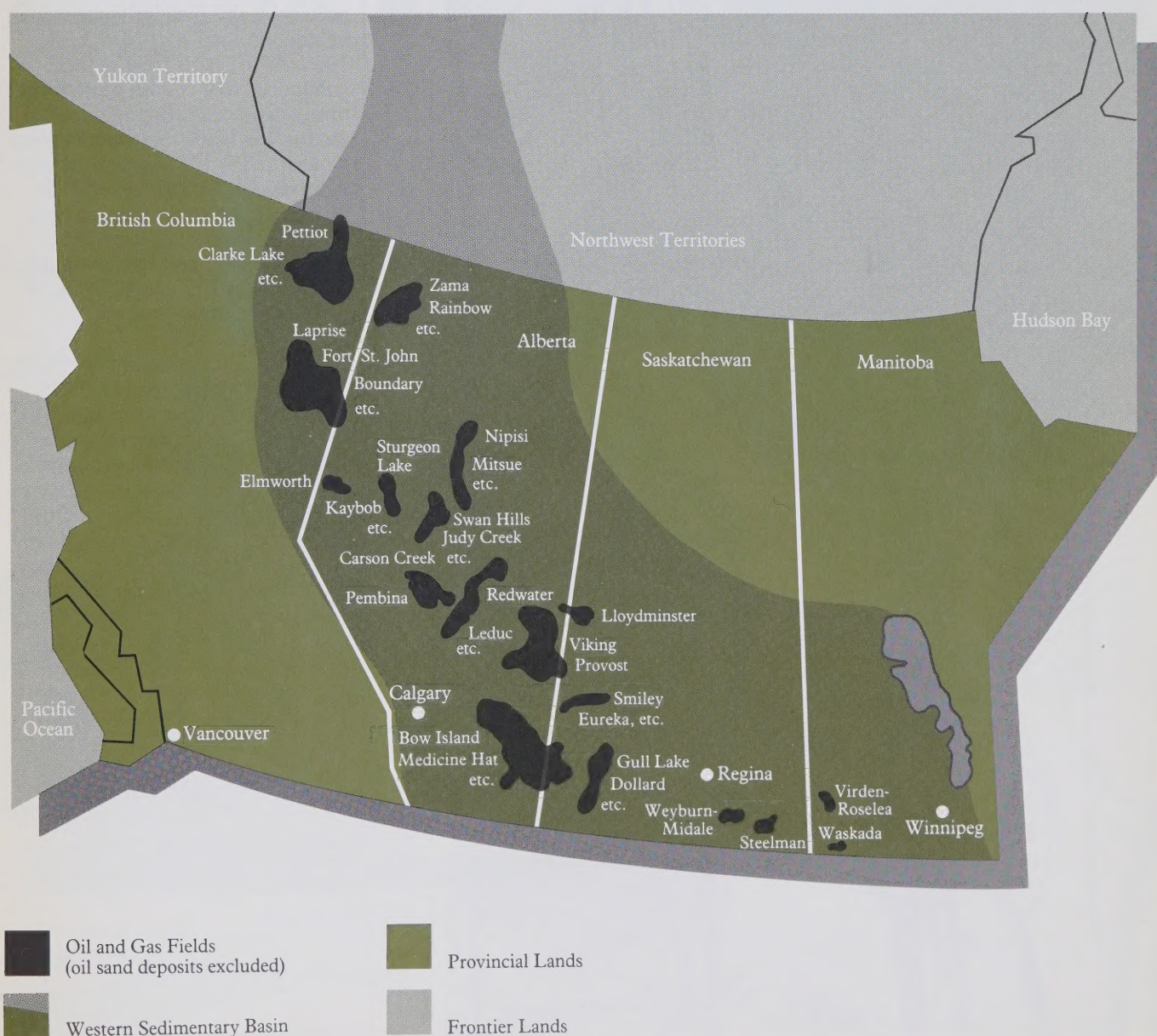
The Western Sedimentary Basin, the country's major petroleum-producing region, stretches across four provinces and into the Yukon and Northwest Territories. After more than 50 years of exploration, most of the major fields have been discovered. Nonetheless, it is believed that substantial amounts of oil and gas probably remain to be discovered.

Petroleum incentives from the Government of Canada and the Government of Alberta, encouraging the search for these additional reserves in these four western provinces in 1985 totalled \$114.4 million, and \$440.3 million, respectively.

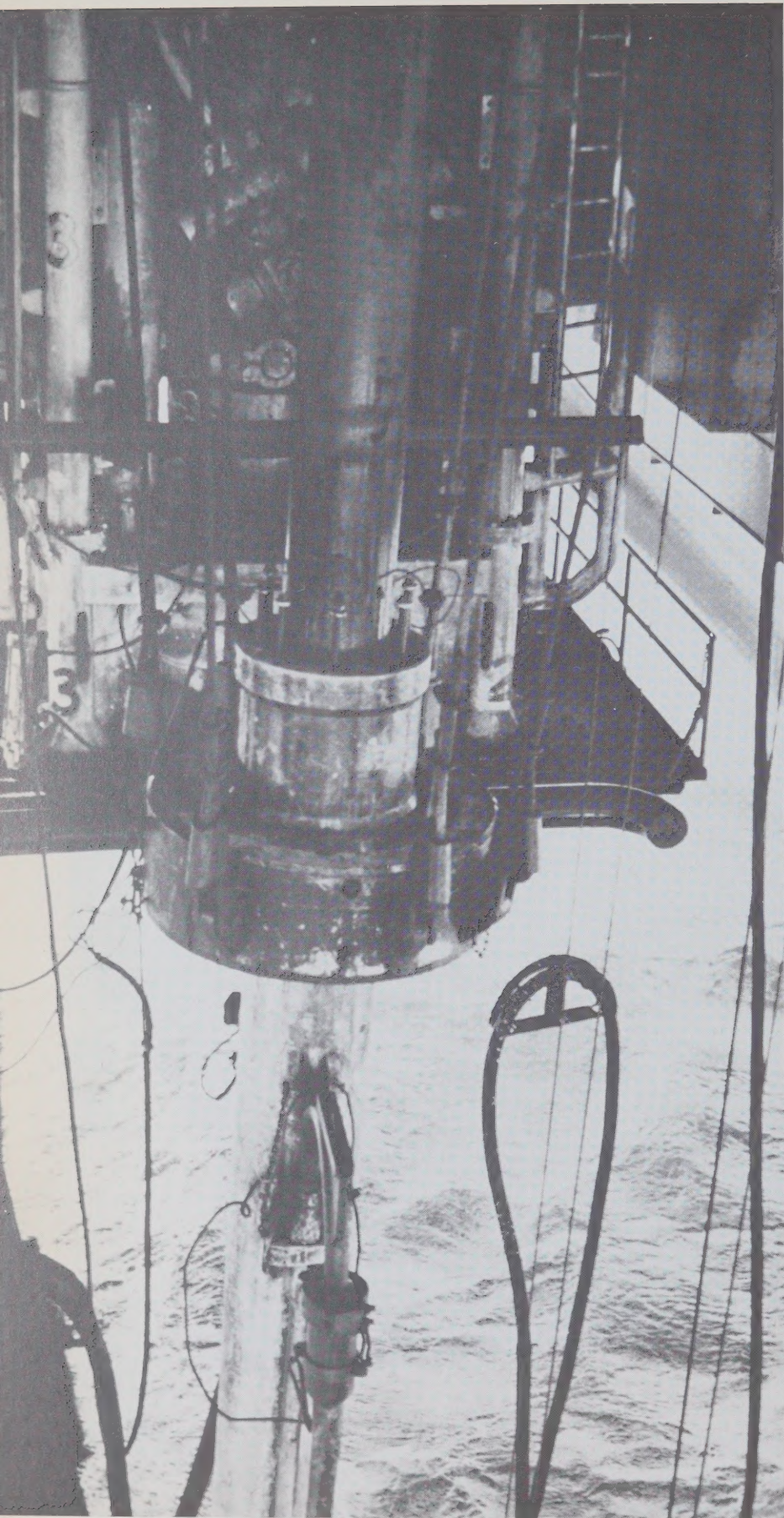
**Provincial drilling activity 1985**

	Wells
Alberta <sup>1</sup>	7 055
British Columbia	215
Manitoba	245
Ontario	102
Saskatchewan	3 758
Others	4
Total	11 379

<sup>1</sup>The Government of Alberta funds and administers its own *Petroleum Incentives Program* for eligible expenses incurred in Alberta.







## THE WESTERN ACCORD AND THE NEW FRONTIER ENERGY POLICY

The government announced major new energy initiatives in 1985. Two of these initiatives, the Western Accord and the New Frontier Energy Policy, directly affected the programs administered by the Petroleum Incentives Administration (PIA): the Canadian Ownership and Control Determination (COCD) Program and the Petroleum Incentives Program (PIP).

The Western Accord of March 28, 1985 provided that federal PIP contributions for costs incurred on provincial and frontier lands would be discontinued after March 31, 1986. At the same time, it was announced that certain written commitments to drilling programs on the frontier lands that were in place on March 28, 1985 would continue to be eligible for PIP beyond the March 31, 1986 termination date. These commitments were to be 'grandfathered' and would continue to qualify for PIP contributions at existing incentive rates until December 31, 1987.

The New Frontier Energy Policy, announced on October 30, 1985, introduced a new Exploration Tax Credit (ETC) effective December 1, 1985. This exploration incentive is tax based and nondiscriminatory as to the geographical location of the project and the ownership and control status of the participants. Exploration expenses over \$5 million per well qualify for the ETC of 25 per cent and a refund of 40 per cent of the ETC is available to non-taxpaying companies. Since there is an overlap between the start of the new ETC on December 1, 1985 and the final sunset date of December 31, 1987 for PIP contributions, applicants with eligible expenses for PIP during the overlap period will be unable to claim the ETC on the same expenses.

*Marine riser on semisubmersible*



## CANADIAN OWNERSHIP AND CONTROL DETERMINATION PROGRAM

The COCD Program provides formal certification of the Canadian ownership rate (COR) and control status (CS) of a 'person', pursuant to the Canadian Ownership and Control Determination Act and Regulations. Under the law, a person may be an individual, a corporation or other entity. The COR of a corporation or other entity is the extent to which it is beneficially owned by Canadians. The control status of an entity is based on the concept of 'control in fact' as determined pursuant to the Foreign Investment Review (FIR) Act.\*

An applicant for a payment under the federal or Alberta Petroleum Incentives Program normally needs a COCD certificate. Applicants for a certificate assess their own COR and CS, and PIA verifies their self-assessment based on the information provided. After verification of the information, the Minister issues a certificate. Further to an August 29, 1985 amendment to the COCD Regulations, 1984, the duration for new certificates, which previously had varied from 18 months to 30 months depending on the type of applicant, were all fixed at 30 months.

*\* Although revoked by the Investment Canada legislation, certain provisions of the FIR Act continue to apply for the purposes of the COCD legislation.*



## COCD PROGRAM CHANGES AS A RESULT OF THE WESTERN ACCORD

With PIP terminating on March 31, 1986, the need for most COCD certificate holders to retain their COCD status was also expected to end on that date, except for a few companies that would be eligible for PIP grandfathering. As a result, new procedures were implemented in July 1985 to enable holders of COCD certificates expiring prior to March 31, 1986 to have their certified COCD status extended until March 31, 1986, subject to certain conditions. The procedures allowed certificate holders whose COR had not changed significantly to continue applying for federal PIP contributions without having to complete an entirely new COCD application.

As for applications to the Alberta Petroleum Incentives Program (APIP), in July 1985 the Department of Energy and Natural Resources of the Government of Alberta decided to allow applicants meeting certain conditions to avoid submitting an entirely new COCD application in order to receive APIP contributions. In some situations, PIA will provide COR/CS opinions to APIP to help it with its new procedures.

As a further streamlining measure, on August 29, 1985 amendments to the COCD Regulations, 1984 took effect, which simplified the process of COR measurement for anyone who wished to obtain or renew a COCD certificate. These changes reduced significantly the number of investors who had to be contacted by applicants for a COCD certificate.

*Directional drilling using the cyclical steam method (huff'n' puff) near Lloydminster.*



## APPLICATIONS FOR COCD CERTIFICATES

From March 1982, when the first application for a COCD certificate was submitted, to December 31, 1985, a total of 12 767 applications for COCD certificates were received. At the end of the year, 12 128 certificates had been issued and 393 applications remained under review.\*

The total number of applications received by year is shown in Table 1. A breakdown of COCD certificates issued by type of applicant and category of application is provided in Tables 2 and 3, respectively. Table 4 shows certificates issued by jurisdiction of incorporation or registration for all entity types.

TABLE 1  
SUMMARY OF TOTAL COCD  
APPLICATIONS RECEIVED

	Individuals	Entities	Totals
1982	938	1434	2 372
1983	1539	1577	3 116
1984	2137	2067	4 204
1985	1513	1562	3 075
Totals	6127	6640	12 767

*\* Some applications were withdrawn by the applicants or the files were closed by PIA for other reasons without a certificate being issued.*

## CANADIAN OWNERSHIP RATE AND CONTROL STATUS EXTENSIONS

Approximately 600 entities with certificates expiring between June 25, 1985 and March 30, 1986 were eligible for a COR/CS extension to March 31, 1986 (see page 9). As of December 31, 1985, PIA had received 124 applications for COR/CS extensions. Of this number, 45 extensions had been granted and 79 were still under review.

## COCD COMPLIANCE REVIEWS

The COCD Act authorizes the Minister to conduct audits or examinations of the relevant documents and records of an applicant for a certificate. Pursuant to the Financial Administration Act, the Treasury Board also requires program managers to determine whether recipients of contributions have complied with the applicable terms and conditions. Within this context, PIA has developed a compliance review (audit) system whereby representative samples of certificate holders are examined to confirm the facts provided in support of their applications. The results of these reviews, as a whole, also serve as a check on the integrity of the entire certification process.

As of December 31, 1985, PIA had completed 59 compliance reviews and 33 were still in process. Most of the reviews conducted were of entities that were major recipients of incentives from the federal government or from the Alberta government.



TABLE 2  
DISTRIBUTION OF COCD  
CERTIFICATES ISSUED,  
BY TYPE OF APPLICANT

Type of Applicant	1985		1984	
	(number)	(%)	(number)	(%)
Individuals <sup>1</sup>	1729	47.1	1919	56.3
Corporations	1682	45.8	1293	37.9
Partnerships	245	6.7	118	3.5
Others	15	0.4	80	2.3
Totals	3671	100.0	3410	100.0

<sup>1</sup>Applicants who are individuals are granted a deemed COR of 100 per cent and a Canadian-control status if they are Canadian citizens ordinarily resident in Canada, or if they meet certain other conditions.

TABLE 3  
DISTRIBUTION OF COCD  
CERTIFICATES ISSUED, BY  
CATEGORY OF APPLICATION

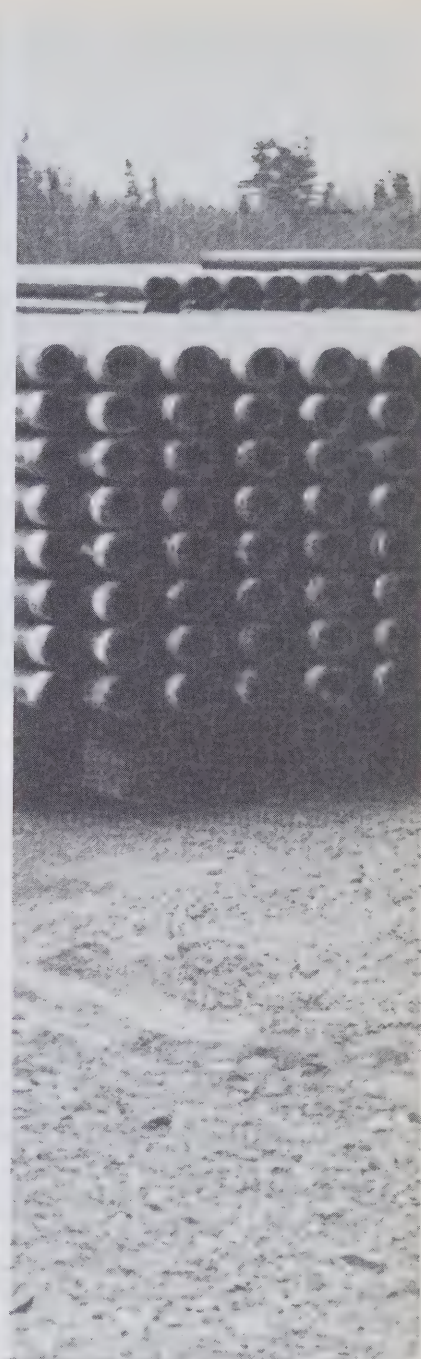
Category of Application	1985		1984	
	(number)	(%)	(number)	(%)
Individual	1729	47.1	1919	56.3
All-Canadian <sup>1</sup>	1283	34.9	994	29.1
Small Applicant <sup>2</sup>	477	13.0	249	7.3
Large Private <sup>3</sup>	102	2.8	148	4.4
Large Public <sup>4</sup>	80	2.2	100	2.9
Totals	3671	100.0	3410	100.0

<sup>1</sup>All-Canadian applicants are private corporations, partnerships and other entities that are wholly owned, directly or indirectly, by Canadian citizens ordinarily resident in Canada.

<sup>2</sup>Since June 1, 1983, small applicants have received a deemed COR of 75 per cent if they had assets less than \$50 million, were Canadian controlled and had certified that their COR, if measured, would be 75 per cent or higher.

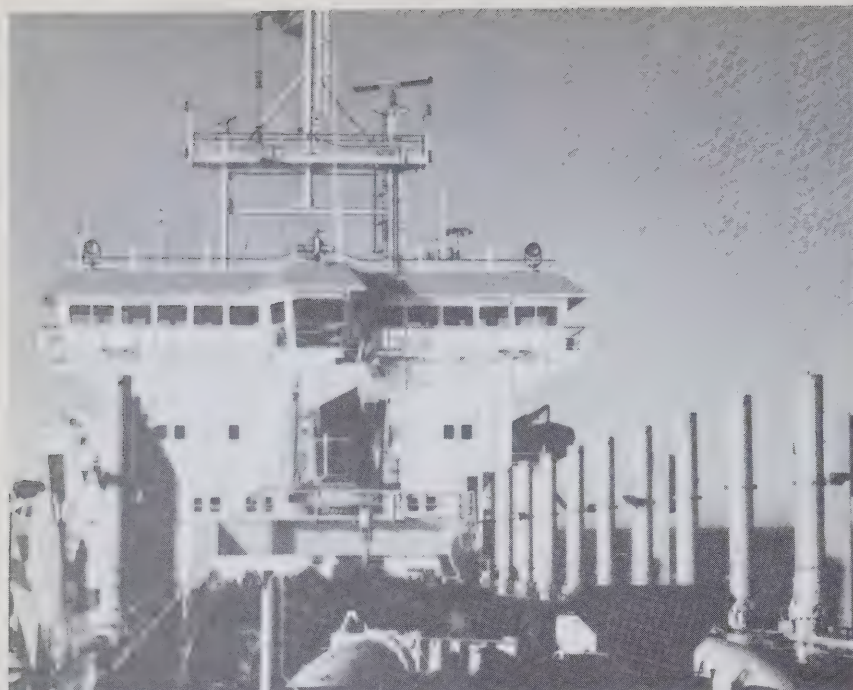
<sup>3</sup>Large applicants are those that measure their COR by contacting their investors. Private entities are nonpublic corporations, partnerships or trusts.

<sup>4</sup>Typically, public entities are corporations that have shares listed on a stock exchange. Public entities first have to 'look through' the records and largest accounts of securities dealers, banks and other nominees in order to identify beneficial ownership.



Well casings in Port Hawkesbury, Nova Scotia, pipe-yard.





Dredging vessel in the Beaufort Sea.

TABLE 4  
DISTRIBUTION OF COCD  
CERTIFICATES ISSUED TO  
ENTITIES, BY JURISDICTION  
OF INCORPORATION OR  
REGISTRATION

Jurisdiction	1985		1984	
	(number)	(%)	(number)	(%)
Alberta	1328	68.4	941	63.1
Saskatchewan	172	8.8	142	9.5
Ontario	150	7.7	130	8.7
British Columbia	139	7.1	99	6.7
Manitoba	23	1.2	31	2.1
Quebec	14	0.7	11	0.7
New Brunswick	1	0.1	2	0.1
Nova Scotia	15	0.8	2	0.1
Newfoundland	1	0.1	1	0.1
Northwest Territories	1	0.1	1	0.1
Prince Edward Island	—	—	0	0.0
Yukon Territory	—	—	1	0.1
Canada	98	5.0	129	8.6
United States	—	—	1	0.1
Total	1942	100.0	1491	100.0
Individuals (all regions)	1729 <sup>1</sup>		1919 <sup>1</sup>	
Total	3671		3410	

<sup>1</sup>Data on certificates issued to individuals are not available by region. To arrive at a total figure for certificates issued, the adjustment indicated is required.

## PETROLEUM INCENTIVES PROGRAM

The Petroleum Incentives Program provides direct cash incentives to individuals, companies and other qualified applicants who incur eligible expenses in the exploration for, and the development of, oil and gas resources in Canada.

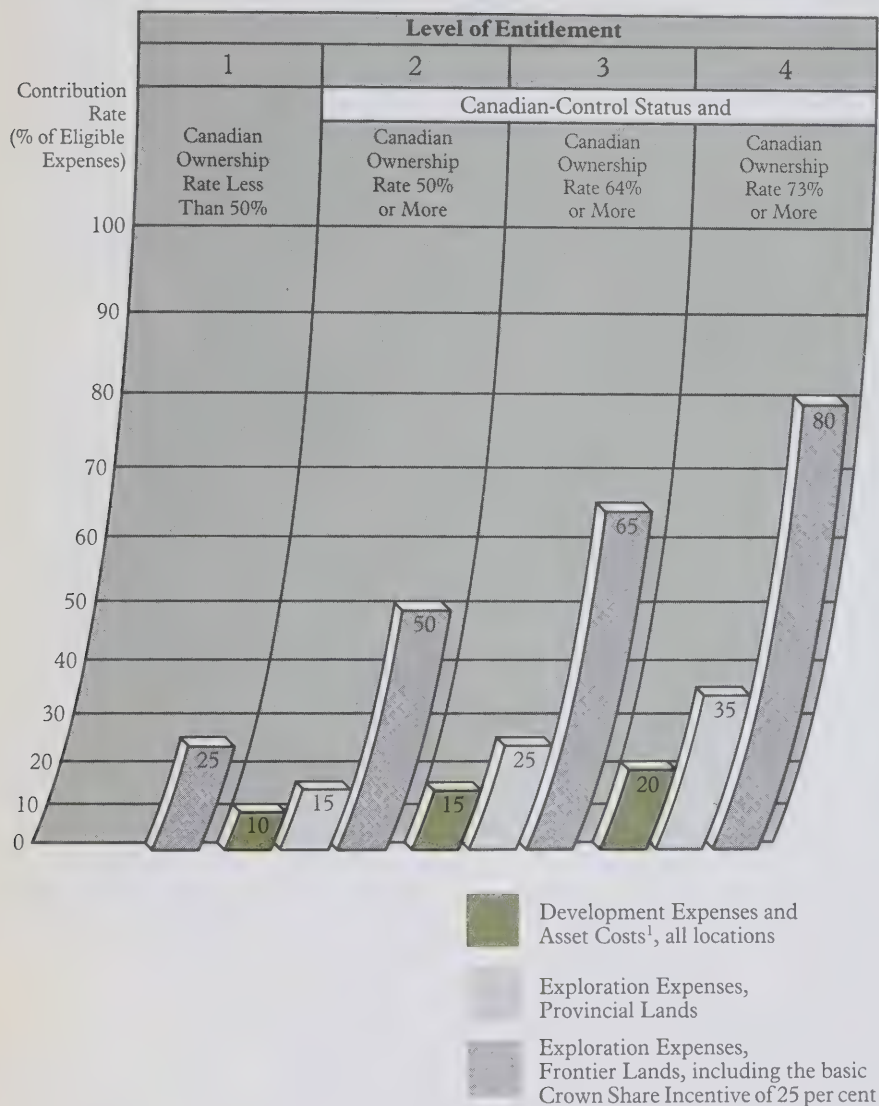
The amount of incentive is calculated as a percentage of eligible exploration or development expenses. As Figure 3 describes, the maximum incentive rate of 80 per cent applies to eligible exploration expenses incurred on the frontier lands by an applicant who is Canadian controlled, with a high level of Canadian ownership. The incentive rate for the same applicant exploring on provincial lands is 35 per cent. All applicants eligible for exploration expenses incurred on the frontier lands, however, are entitled to the Crown Share Incentive of 25 per cent regardless of their ownership or control status.

## CHANGES TO PIP UNDER THE WESTERN ACCORD

Following the Western Accord announcement, PIA consulted with the industry. A draft set of rules covering the conditions of eligibility for PIP during the transition year to March 31, 1986 was developed and circulated to PIA clientele for comment. Ultimately these were promulgated as amendments to the PIP Regulations in June and December 1985. The special provisions required for the grandfathering period (April 1, 1986 to December 31, 1987) were being completed as 1985 was drawing to an end. These provisions will be incorporated in additional amendments to the PIP Regulations. The more significant provisions of the new rules, which also evolved as a result of the consultative process, are summarized on page 13.



FIGURE 3  
PETROLEUM INCENTIVES  
PROGRAM CONTRIBUTION  
RATES FOR ELIGIBLE EXPENSES  
INCURRED IN 1985



<sup>1</sup>PIP contributions are paid on asset costs related to tertiary recovery equipment which has received prior ministerial approval and a NORP designation for the project. To date, a minor amount has been claimed in this category. Integrated oil sands projects and scientific projects are not eligible for PIP.

## TRANSITION YEAR AND GRANDFATHERING PERIOD

New measures put into effect during the transition year included a limitation on the eligibility for PIP of seismic expenses and of other geological, geophysical and geochemical expenses that related primarily to future drilling programs. A requirement was also introduced for ministerial approval of expenses incurred in relation to drilling equipment brought into the frontier lands after April 19, 1985. These new measures were designed to ensure that PIP expenditures would not exceed the planned budgetary amounts for the transition year.

During the proposed grandfathering period from April 1, 1986 to December 31, 1987, eligibility for PIP contributions will be confined to expenses incurred on frontier lands on grandfathered wells meeting certain prescribed conditions. Eligible expenses are expected to be narrowed to cover in general only those costs incurred directly in the drilling of a grandfathered well.

## APPLICATIONS FOR PIP CONTRIBUTIONS

PIP applicants complete forms prescribed under the PIP Regulations to determine their level of entitlement. To assist applicants PIA provides an Application Package, which includes the prescribed PIP forms, an applicant's guide to the completion of the forms and other documentation pertinent to the application process. The applicant submits the necessary forms together with the required background information to PIA where they are reviewed and assessed before incentives are paid.

PIP contributions are paid on a percentage of the expenses incurred for exploration and development activities authorized by the



appropriate federal and provincial government departments. PIA maintains a close relationship with the Canada Oil and Gas Lands Administration (COGLA) and the provincial authorities with responsibilities relating to oil and gas exploration, development and production in Canada.

#### INCENTIVES PAID

In 1985 PIA processed 3456 PIP applications in the Ottawa and Calgary offices. A total of \$1534.2 million in incentives was paid to 1456 applicants. As Table 5 notes, almost all of the PIP contributions were for eligible exploration expenses.

TABLE 5  
PIP CONTRIBUTIONS, BY TYPE  
OF ACTIVITY

Activity	1985 <sup>1</sup>			
	Excluding Alberta (\$ million)	(%)	Including Alberta (\$ million)	(%)
Geo 3 <sup>2</sup>	122.1	7.9	240.8	12.2 <sup>3</sup>
Exploration	1357.6	88.5	1580.1	80.0
Development	54.5	3.6	153.6	7.8
Totals	1534.2	100.0	1974.5	100.0

Activity	1984			
	Excluding Alberta (\$ million)	(%)	Including Alberta (\$ million)	(%)
Geo 3 <sup>2</sup>	128.6	7.6	202.3	9.8 <sup>3</sup>
Exploration	1533.2	90.0	1745.3	84.2
Development	41.1	2.4	123.9	6.0
Totals	1702.9	100.0	2071.5	100.0

<sup>1</sup>Figures subject to revision. At the time this report was compiled, applications were still being received for 1985.

<sup>2</sup>Geo 3 refers to expenses associated with geological, geochemical and geophysical activities.

<sup>3</sup>This figure includes enhanced oil recovery.

Construction of a sacrificial island. This site was subsequently used for the drilling of the Nipterk well.

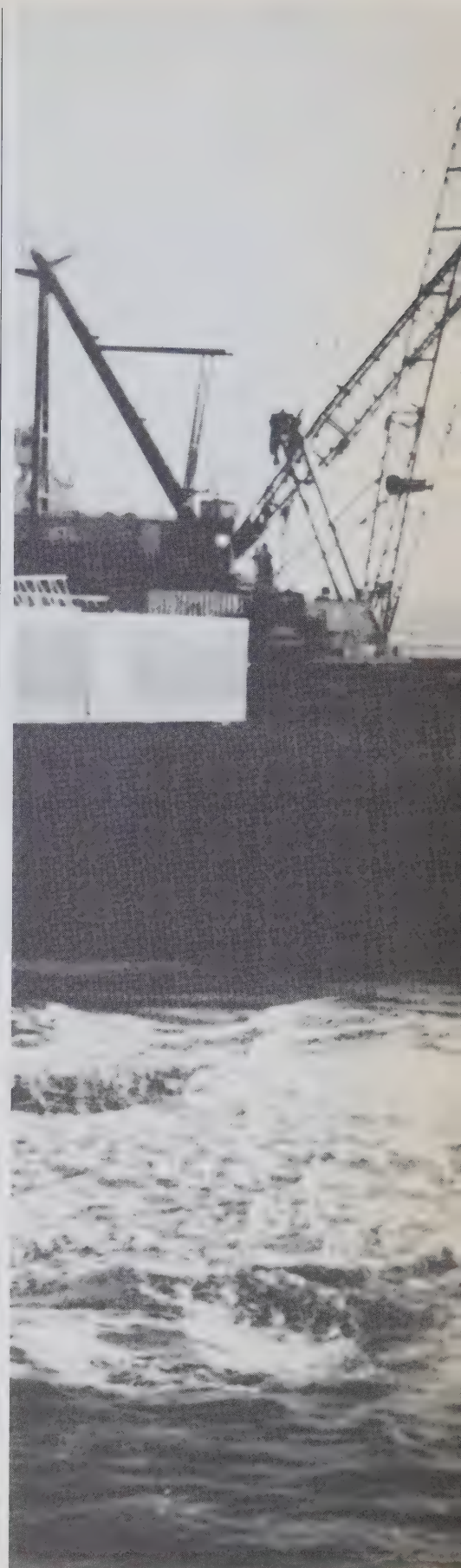








TABLE 6  
PIP CONTRIBUTIONS, BY  
LOCATION OF ACTIVITY

Location	1985 <sup>1</sup>		1984	
	(\$ million)	(%)	(\$ million)	(%)
Frontier Lands				
25% Crown Share Incentive	555.2	28	514.9	25
Other incentives	864.6	44	1076.3	52
Alberta <sup>2</sup>	440.3	22	368.6	18
Other Provinces	114.4	6	111.7	5
Totals	1974.5	100	2071.5	100

<sup>1</sup>Figures subject to revision. At the time this report was compiled, applications were still being received for 1985.

<sup>2</sup>The Government of Alberta funds and administers its own Petroleum Incentives Program for eligible expenses incurred in Alberta.

TABLE 7  
FEDERAL PIP CONTRIBUTIONS,  
BY REGION

Region	1985 <sup>1</sup>		1984	
	(\$ million)	(%)	(\$ million)	(%)
Arctic Islands	46.5	3.0	62.2	3.7
Beaufort Sea	485.8	31.7	609.3	35.8
Grand Banks	505.3	32.9	314.9	18.5
Labrador Shelf	—	—	8.2	0.5
Scotian Shelf and Slope	250.4	16.3	507.9	29.8
Other Frontier Lands	131.8	8.6	88.7	5.2
Total Frontier Lands	1419.8	92.5	1591.2	93.5
Provinces (excluding Alberta)	114.4	7.5	111.7	6.5
Total Federal PIP Contributions	1534.2	100.0	1702.9	100.0

<sup>1</sup>Figures subject to revision. At the time this report was compiled, applications were still being received for 1985.

Most applications received in 1985 were for eligible expenses incurred in 1984 and 1985. Some applications, however, were for eligible expenses incurred in the 1981-83 period, for which filing deadlines had passed. Payments were made on late applications if there were valid reasons for having missed filing deadlines. Generally, these late applications were from small Canadian investors.

As indicated in Tables 6 and 7, the largest portion of PIP contributions in 1985, as in previous years, was for eligible exploration expenses on the frontier lands, a total of \$1419.8 million. Although exploration expenses on frontier lands were mainly for wildcat wells, the figures also include incentives for the delineation of discoveries in the Beaufort Sea at Amauligak, Adgo and Nipiterk; on the Scotian Shelf at Alma, Triumph and Venture; and on the Grand Banks at Ben Nevis, Whiterose and Terra Nova.

As Table 8 indicates, the largest percentage of the \$114.4 million paid out by the federal incentives program for activities on provincial lands went to applicants active in Saskatchewan. Saskatchewan continued to experience a drilling boom, with 3758 wells drilled in 1985 compared with 2904 wells in 1984 and 1840 in 1983.

Table 8 also indicates that \$440.3 million was paid under the Alberta Petroleum Incentives Program for eligible expenses and costs incurred in Alberta.

The majority of the incentives paid to date have been made to applicants at the highest PIP contribution level (Level 4). Table 9 indicates that in 1985, \$1371.2 million, or 89.4 per cent, was paid to applicants at the Level 4 entitlement compared with \$1583.5 million, or 93.1 per cent, in 1984.



TABLE 8  
PIP CONTRIBUTIONS,  
BY PROVINCE

Province	1985 <sup>1</sup> (\$ million)	1984 (\$ million)
Alberta <sup>2</sup>	440.3	368.6
Saskatchewan	80.7	70.9
Ontario	9.9	17.4
Manitoba	4.7	4.6
British Columbia	12.0	18.5
All Others	0.1	0.3
Totals	547.7	480.3

<sup>1</sup>Figures subject to revision. At the time this report was compiled, applications were still being received for 1985.

<sup>2</sup>The Government of Alberta funds and administers its own Petroleum Incentives Program for eligible expenses incurred in Alberta.

TABLE 9  
FEDERAL PIP  
CONTRIBUTIONS, BY LEVEL  
OF ENTITLEMENT

Level <sup>1</sup>	1985 <sup>2</sup>		1984	
	(\$ million)	(%)	(\$ million)	(%)
1	159.7	10.4	101.2	5.9
2	—	—	—	—
3	3.3	0.2	18.2	1.0
4	1371.2	89.4	1583.5	93.1
Totals	1534.2	100.0	1702.9	100.0

<sup>1</sup>Refer to Figure 3.

<sup>2</sup>Figures subject to revision. At the time this report was compiled, applications were still being received for 1985.



One of the many supply vessels used on the East Coast.



TABLE 10  
TOP 30 RECIPIENTS OF  
FEDERAL PIP CONTRIBUTIONS  
FOR 1985 AND 1984 AND  
THEIR CANADIAN  
OWNERSHIP RATE AND  
CONTROL STATUS

Recipients	1985 <sup>1</sup> (\$ million)	1984 (\$ million)	COR <sup>2</sup> (%)
Petro-Canada	381.6	262.0	100
Dome Canada Limited	171.5	199.6	77
Husky Oil Operations Ltd.	101.1	176.9	89
Gulf Canada Resources Inc. <sup>3</sup>	87.9	57.9	N/A
Bow Valley Industries Ltd.	66.1	116.2	77
Canterra Energy Ltd.	63.0	99.6	100
Trillium Exploration Corporation	62.5	44.3	75
AT&S Exploration Ltd.	58.8	41.0	77
Home Oil Company Limited	58.3	76.8	87
Parex A General Partnership	38.1	9.3	86
Mobil Oil Canada, Ltd.	34.5	0.0	N/A
Labrador Mining and Exploration Company Limited	32.9	12.5	92
Norcen Energy Resources Limited	21.4	84.0	97
Westcoast Petroleum Ltd.	19.5	14.0	92
Scurry-Rainbow Oil Limited	18.5	49.4	83
Alberta Energy Company Ltd.	17.3	15.6	100
Exco Energy Ltd. (Forward Resources Ltd.)	17.1	0.0	73
PanCanadian Petroleum Limited	16.9	15.2	75
Panarctic Oils Ltd.	15.1	34.0	84
Nova Scotia Resources (Ventures) Ltd.	15.1	16.5	100
Beau Canada Exploration Ltd.	13.9	7.0	82
Lochiel Exploration Ltd.	13.7	10.8	99
Oakwood Petroleums Ltd.	13.1	16.5	92
Mackenzie Delta Energy Limited	11.7	25.3	75
Chevron Canada Resources Limited	11.6	0.8	N/A
ICG Frontier Exploration Ltd.	10.8	15.2	84
Canadian Offshore Resources Exploration Limited	10.7	17.1	71
Texaco Canada Resources Ltd.	9.0	5.0	10
Forward 1984-2 Drilling Program	8.6	31.8	100
Beaufort Oil & Gas Ltd.	8.3	0.0	N/A

<sup>1</sup>Figures subject to revision. At the time this report was compiled, applications were still being received for 1985.

<sup>2</sup>All entities are Canadian controlled except those shown as N/A, which indicates no COCD application has been received.

<sup>3</sup>Effective August 2, 1985, Olympia & York acquired a substantial interest in Gulf. The resulting COR increase and change in control status entitles Gulf to the maximum PIP incentive rates on frontier lands and provincial lands for eligible expenses incurred on and after August 2, 1985. As this report went to print, Gulf's application for incentives pertaining to expenses incurred post-August 1985 had not yet been received by PIA. The amount indicated for 1985 therefore reflects only incentives paid at the 25 per cent Crown share rate. The reorganized Gulf has applied for a COCD certificate, which at the time of this report was pending.



Table 10 lists the 30 entities that received the largest PIP contributions in 1985, and compares the 1985 contributions with those paid to the same applicants in 1984. Appendix II lists alphabetically all applicants who received incentives of \$25 000 or more in 1985.

The proportion of expenditures on frontier lands by Canadian-controlled to foreign-controlled entities is indicated in Table 11. Table 12 lists the Canadian operators on the frontier lands.





*Final stage in the construction of an island in the Beaufort Sea.*

TABLE 11  
CANADIAN-AND  
FOREIGN-CONTROLLED  
SHARES OF FRONTIER  
LANDS EXPLORATION  
EXPENDITURES

Shares	First 6 months of 1985		1984	
	Net of PIP Contributions	Including PIP Contributions	Net of PIP Contributions	Including PIP Contributions
	(%)		(%)	
Canadian-controlled Entities	65.3	79.4	66.1	82.0
Foreign-controlled Entities	34.7	20.6	33.9	18.0
Totals	100.0	100.0	100.0	100.0



TABLE 12  
OPERATORS<sup>1</sup> ON THE  
FRONTIER LANDS THAT ARE  
CANADIAN CONTROLLED,  
1985

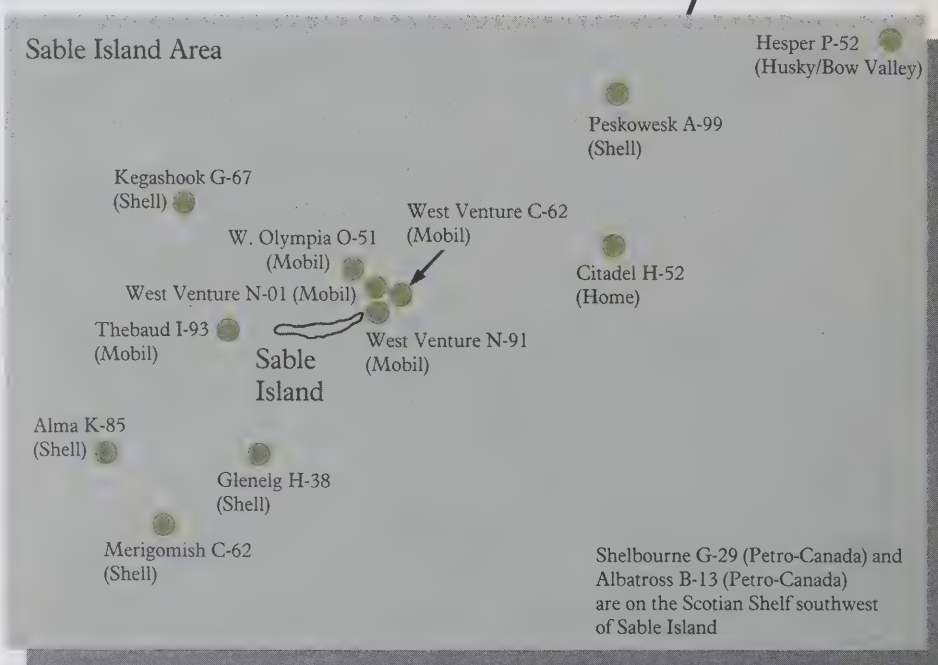
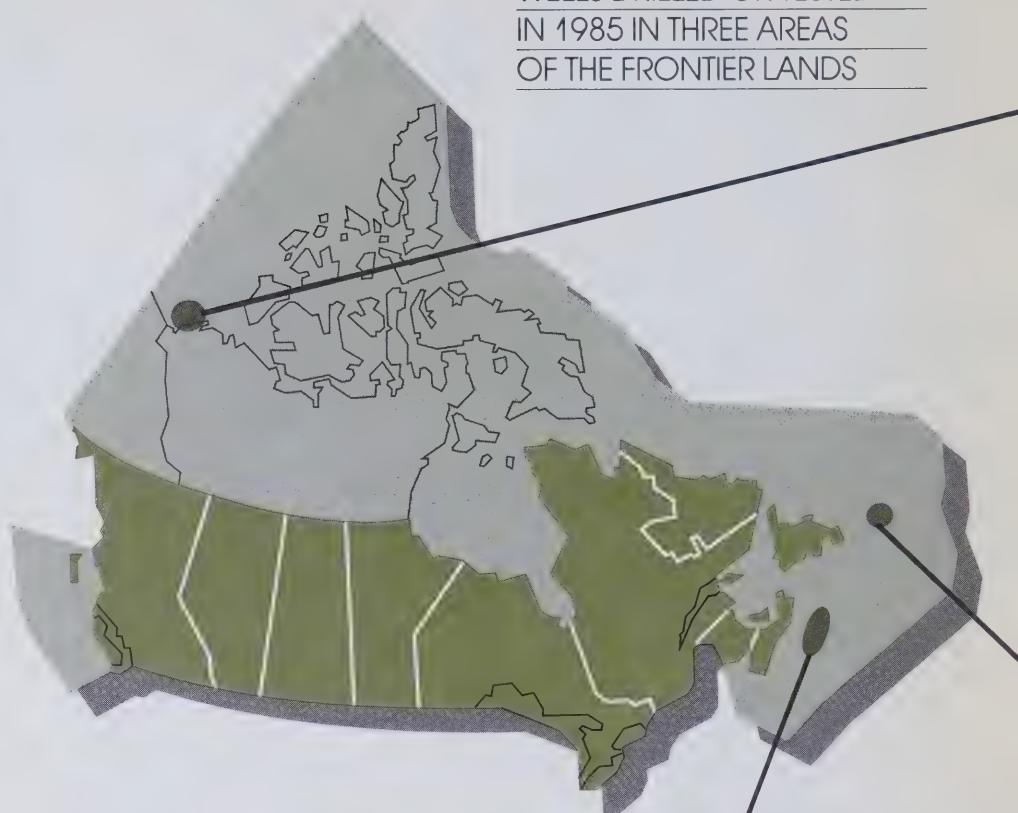
Canterra Energy Ltd.  
(Grand Banks, Hudson Bay)  
Dome Petroleum Limited  
(Beaufort Sea)  
Exco Energy Ltd.  
(mainland N.W.T.)  
Gulf Canada Resources Inc.  
(Beaufort Sea, Mackenzie Delta)  
Home Oil Company Limited  
(Scotian Shelf, mainland N.W.T.)  
Husky/Bow Valley  
(Grand Banks, Scotian Shelf)  
Northcor Energy Ltd.  
(mainland N.W.T.)  
NSM Resources Ltd.  
(mainland N.W.T.)  
Panarctic Oils Ltd.  
(Arctic Islands)  
Petro-Canada  
(Grand Banks, Scotian Shelf,  
mainland N.W.T.)

<sup>1</sup>All participants owning or earning a working interest in lands designate one company as the operator which has the responsibility for managing the exploration activities on behalf of the participants.

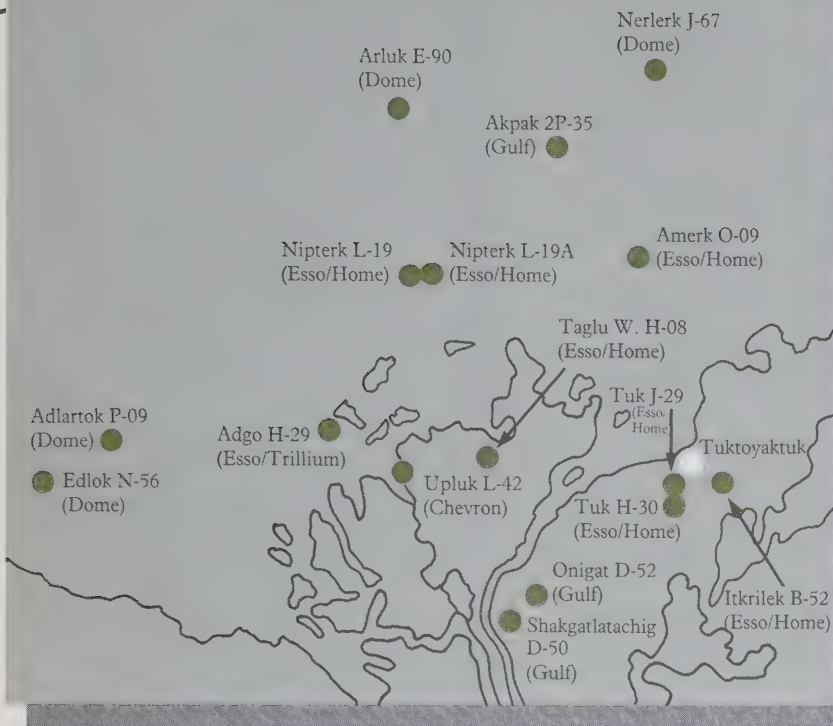
## AUDIT OF PIP CONTRIBUTIONS

The administration of PIP is based on a self-assessment process by the applicant in order to speed up the payment of incentives. PIA, however, has the responsibility and legal authority under the PIP Act to conduct audits as a final assurance of the integrity of the self-assessment system. To this end, PIP auditors conduct examinations of the books and records of applicants that support the incentives applied for (prepayment audits) or received (postpayment audits). Each postpayment audit culminates in a formal

FIGURE 4  
WELLS DRILLED OR TESTED  
IN 1985 IN THREE AREAS  
OF THE FRONTIER LANDS



## Beaufort Sea- Mackenzie Delta



Audit Report expressing an opinion on whether or not the incentives paid to the applicant are in accordance with the PIP Act and Regulations. When material discrepancies between expenditures claimed and expenditures determined to be eligible are found to exist, the incentives are adjusted accordingly.

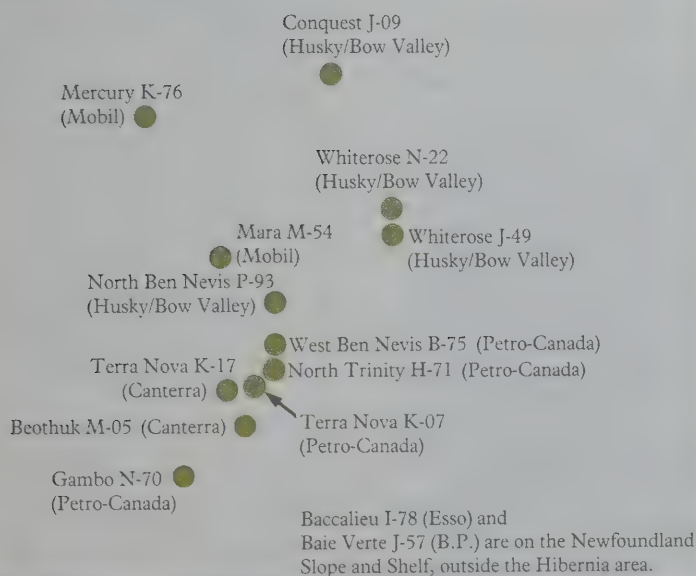
A very large proportion of exploration programs are conducted on a joint venture basis, that is, with several participants sharing in the costs. Only one company, however, manages the program as the operator. Most of PIA's audit activities are concentrated on the operators. When, as a result of an audit, discrepancies in the eligible expenses claimed are identified, they are allocated to all participants according to their share of expenses incurred and their incentives are adjusted proportionately.

Audits of applicants participating only on provincial lands are conducted on a sample basis to ensure compliance with the PIP Act and Regulations.

During 1985, outstanding 1981 audits were completed as well as the field work for audits of 1982 PIP applications. Incentive recoveries of \$14 million were made as a result of the audit of 1981 applications.

With PIP moving gradually to termination, staff resources will be devoted more to audits in the coming 12 to 18 months. The cooperation of applicants will be necessary to ensure the orderly flow of PIP payments and to minimize the amount of audit activity required after December 31, 1987, the last day that expenses will be eligible for PIP contributions.

## Grand Banks





## PIA SERVICE TO INDUSTRY

### CALGARY OFFICE

To service the oil and gas industry efficiently, in 1981 PIA established a western office in Calgary, where most oil and gas companies maintain their head offices. Entities incurring all of their PIP expenses in Manitoba, Saskatchewan and British Columbia submit their COCD certificate applications to this office. Entities with PIP expenses in those same provinces also have their PIP applications processed in Calgary. If expenses are incurred in both the western provinces and the frontier, those applications are normally forwarded to the Ottawa office.

Audits are conducted by both the Ottawa and Calgary offices of PIA, the majority in Calgary. In 1985 a total of 2337 PIP applications were processed in Calgary, compared with 1662 in 1984, and the amount of incentives paid in 1985 increased by \$12 053 313 over the previous year.

Table 13 shows the distribution of COCD certificates issued from the Ottawa and Calgary offices, by category of application in 1985 and 1984.

TABLE 13  
DISTRIBUTION OF COCD  
CERTIFICATES ISSUED BY  
OTTAWA AND CALGARY

Category of Application <sup>1</sup>	1985				1984			
	Ottawa	Calgary	Totals	(%)	Ottawa	Calgary	Totals	(%)
Individual	551	1178	1729	47.1	744	1175	1919	56.3
All-Canadian	657	626	1283	34.9	362	632	994	29.1
Small Applicant	440	37	477	13.0	224	25	249	7.3
Large Private	95	7	102	2.8	134	14	148	4.4
Large Public	68	12	80	2.2	97	3	100	2.9
Totals	1811	1860	3671	100.0	1561	1849	3410	100.0

<sup>1</sup>Refer to Table 3 for an explanation of the categories.

## OTHER SERVICES

PIA strives to ensure that applications submitted under the PIP Act and Regulations and the COCD Act and Regulations are assessed in a timely and professional manner. To facilitate the assessment process each PIP and COCD applicant is usually assigned a case analyst who assists the applicant in meeting the various operational requirements of the programs. In this way problems that may potentially delay the flow of incentives to applicants are minimized.

In addition to assessing applications, PIA staff also process requests for ministerial discretions, advance rulings, letters of opinion, approvals of arrangements for equipment and approvals of agreements or arrangements for wells on frontier lands costing more than \$50 million.

PIA publishes information circulars, interpretation bulletins and guidelines to keep interested persons abreast of developments relating to the Petroleum Incentives Administration. These publications, listed in Appendix III, notify the public of changes to the programs and explain technical aspects of the COCD and PIP acts and regulations.

For additional information on PIA, interested persons may contact one of the offices listed at the end of this report.

## PIA WORK FORCE REDUCTION

One of the principal activities of the Petroleum Incentives Administration in 1985 was planning the phase-out of the PIP and COCD programs. The major objectives of the planning were to ensure that program responsibilities would be fulfilled and that the existing level of service to industry would be maintained through to the audit of the final PIP contribution payments.

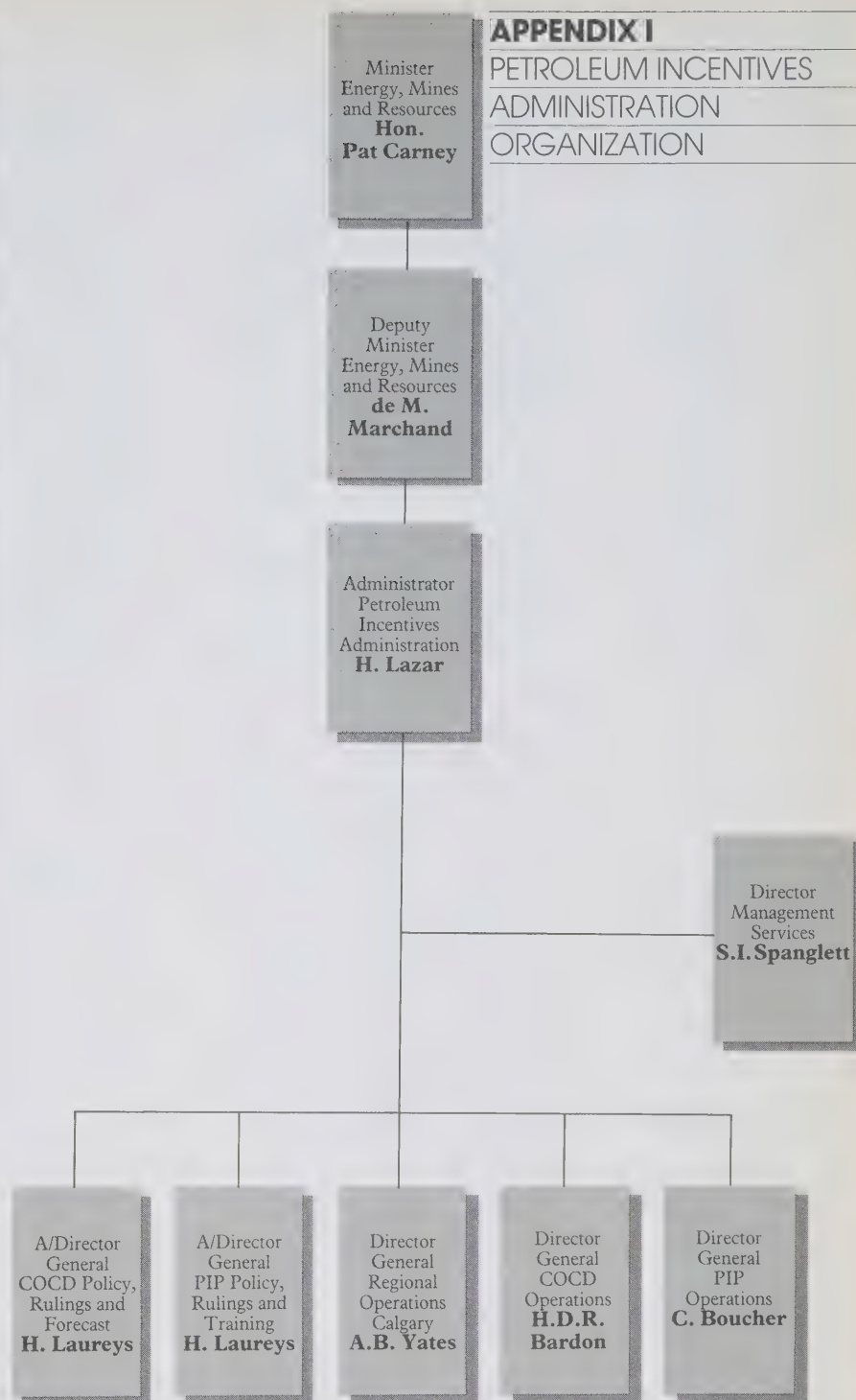
To minimize layoffs, and avoid them if possible, PIA committed itself to assisting its employees during redeployment. As part of this effort, PIA provided its employees with the opportunity to request early redeployment in return for assistance from PIA management in identifying prospective positions within and outside the Public Service. This was done on the basis of branch by branch discussion between management and staff. As a preliminary step, each manager indicated the minimum staff levels that would still be required to administer the program over the phase-out period. Subject to this constraint, employees were given the opportunity to self-select for early departure. As things worked out, the number of employees who wished to leave the two programs in 1985 fitted well with operational needs. Those who did not self-select for early redeployment were asked to remain on the job.

Initially, most of the departures were from the COCD Program. The pace of the work force reduction in PIP will increase once the grandfathering period is under way. Approximately 19 per cent of PIA staff were redeployed in 1985, and an additional 20 per cent are expected to be redeployed by the end of 1986.

At December 31, 1985, PIA had a total staff of 277, compared with 333 in 1984. The authorized salary and operating budget for the 1985-86 fiscal year was \$17.3 million. The current PIA organization is depicted in Appendix I.

## APPENDIX I

### PETROLEUM INCENTIVES ADMINISTRATION ORGANIZATION





## APPENDIX II

### RECIPIENTS OF PIP

### CONTRIBUTIONS OVER

\$25 000 in 1985

Entity	(\$)		
130938 Canada Ltd.	33 803.00	Beaucoup Resources Ltd.	77 211.00
237505 Alberta Ltd.	315 939.00	Beaufort O & G Ltd. Part.	8 288 493.00
239281 Alberta Ltd.	35 761.74	Bedford Petroleum Limited	107 047.00
254614 Alberta Ltd.	25 394.00	Bigstone Gas Producers Ltd.	103 574.00
273193 Alberta Ltd.	181 227.00	Black Gold Oil & Gas Ltd.	34 143.00
276461 Alberta Ltd.	39 955.00	Blackrock Exploration Program 1983	353 909.00
28009 Alberta Ltd.	47 199.00	Bonanza Oil & Gas Ltd.	26 068.00
297260 Alberta Ltd.	42 427.00	BowRio Hydro Div. 84	53 400.00
297995 Alberta Ltd.	52 179.00	BowRio Resources Limited	93 324.00
303872 Alberta Inc.	130 401.00	Bow Valley Industries Ltd.	66 097 863.00
308969 Alberta Inc.	41 125.00	Bralorne Resources Limited	97 430.00
430767 Ontario Ltd.	57 191.00	Brookwood Oils Inc.	32 668.00
605618 Sask. Ltd.	31 682.00	Brosco Fund Limited	256 113.00
60494 Manitoba Ltd.	89 680.00	Burge Oils Ltd.	40 401.00
A.B. Resources J.V. #10	30 725.00	C.G. Oil Exploration	69 137.00
A.B. Resources J.V. #6	144 831.00	CN Exploration Inc.	3 178 918.00
A.B. Resources J.V. #7	92 881.00	CCNR Petroleum Corporation	190 449.00
A.B. Resources J.V. #8	42 880.00	CDN Bashaw Res. Ltd.	40 541.00
A.B. Resources J.V. #9	40 342.00	CDN Corp. Mgmt. Co. Ltd.	27 511.00
APL Oil & Gas Ltd.	195 591.00	CDN Superior Oil Ltd.	232 839.00
AT&S Exploration Ltd.	58 815 977.00	CMP O & G 1985 Ltd. Part.	244 742.00
Aberford Resources Ltd.	2 160 859.00	CMP Oil & Gas 84 Ltd. Part.	687 410.00
Abitibi-Price Inc.	109 306.00	Cabre Exploration Ltd.	91 369.00
Alberta Energy Company Ltd.	17 281 721.00	Calais Resources Ltd.	87 675.00
Aldon Oils Ltd.	55 027.19	Calana Resources Ltd.	255 647.00
Allheart Resources Inc.	169 417.00	Canada Northwest Energy Ltd.	1 251 218.00
Alpine Management Corporation Ltd.	50 090.00	Canadian Games Network Inc., The	65 850.00
Althen, Don C.	40 868.00	Canadian Jorex Limited	289 107.00
Amerada Minerals Corp. of Canada Ltd.	198 477.00	Canadian Occidental Petroleum Ltd.	36 366.00
American Eagle Petroleum Ltd.	353 308.00	Canadian Offshore Res. Expl. Ltd.	10 702 209.00
Amoco Canada Petroleum Company Ltd.	601 767.00	Canadian Pencrown Resources Ltd.	271 346.00
Andrekson, Alexander	31 001.00	Canadian Superior Frontier Res. Ltd.	491 135.00
Anschutz 78 Lk Erie Gas Expl. Prog.	240 695.70	Canterra Energy Ltd.	63 012 486.00
Argyll Resources Ltd.	407 243.00	Canterra Exploration Ltd.	223 274.00
Argyll Royal Trust 81 Expl. Prog.	72 481.00	Caprice Resources Inc.	32 330.00
Atcor Resources Ltd.	784 627.00	Castillo Equities Ltd.	49 967.00
Atlantic Energy Corporation	50 245.00	Charter Partnership 84-2, The	1 740 351.00
Atlantis Resources Ltd.	102 070.00	Chauvco Resources Ltd.	174 319.00
Audax Gas & Oil Ltd.	44 073.00	Cherokee Resources Limited	177 804.00
Audax Investments Inc.	27 216.00	Chevron Canada Petroleum Ltd.	2 398 481.00
Aurelian Development Ltd.	47 412.00	Chevron Canada Resources Ltd.	11 606 871.00
B.C. Resources Invest. Corp.	1 679 525.34	Cheyenne Petroleum Corp. (N.P.L.)	63 722.00
B.P. New Holdings Ltd.	200 052.00	Chouinard, Cheryl	57 214.00
BDLLS Arctic Ltd. Partnership	1 579 689.00	Christianson Pipe Ltd.	26 439.00
BP Canadian Holdings Ltd.	375 117.00	Christina Res. Ltd.	31 820.00
BP Resources Canada Limited	454 298.00	Clan Resources Ltd.	82 908.00
Bailey, Robert Bruce	54 921.00		
Beau Canada Exploration Ltd.	13 932 421.00		
		Cochrane Oil & Gas Ltd.	42 715.00
		Coho Resources Ltd.	382 297.00
		Coil Resources Limited	65 276.00
		Colenco Petroleum Ltd.	95 922.00
		Columbia Gas Devel. of Canada Ltd.	2 930 894.00
		Comaplex Resources Intl. Ltd.	477 971.00
		Consolidated Bathurst Inc.	760 517.00
		Consolidated West Petroleum Ltd.	54 942.00
		Consumers' Cooperative Refineries Ltd.	26 285.00
		Contact Ventures Ltd.	101 060.00
		Conventures Limited	44 488.00
		Cooperative Energy Dev. Corp.	77 701.00
		Copperfields Mining Corp.	68 886.00
		Copperhead Oil Company Ltd.	27 717.00
		Corvair Oils Ltd.	144 447.00
		Coseka Resources Limited	259 695.00
		Crescendo Oil & Gas Ltd.	90 965.00
		Cromwell Resources Inc.	168 711.00
		Curnes, Thomas Jordan	40 654.00
		Cymric Resources Limited	36 755.00
		Cymyjo Oil & Gas Ltd.	30 414.00
		Czar Resources Ltd.	47 076.00
		D.W. Axford & Assoc. Ltd.	27 933.00
		Denison Mines Limited	298 795.00
		Dex Resources Ltd.	79 833.00
		Discovery Mines Limited	43 755.00
		Dome Canada Limited	171 455 607.97
		Dome Petroleum Limited	38 345.00
		Dot Energy Ltd.	53 094.00
		Durham Resources Inc.	365 447.00
		Dynamar Energy Limited	128 673.00
		Dynamic Oil Ltd.	55 380.00
		EDS Ventures Ltd.	31 652.00
		Eagle Resources Ltd.	95 661.00
		East Coast Energy Ltd.	1 167 079.00
		Echo Resources Inc.	35 077.00
		Eden Roc Mineral Corp.	32 093.00
		Embassy Resources	69 993.00
		Erskine Resources Ltd.	267 498.00
		Esso Resources Canada Limited	3 710 544.00
		Eucla Oil & Gas Ltd.	575 822.00
		Eucla Resources Ltd.	64 388.00
		Exco Energy Ltd.	17 122 056.00
		Exploration Soquip Inc.	4 402 390.00
		Fere Resources Ltd.	58 005.00
		Fernlea Flowers Ltd.	43 619.00
		Financial Trust Company	84 684.00
		First Calgary Petroleum Ltd.	60 827.00

Forbes Resources Inc.	59 008.00	Joss Energy Ltd.	78 352.00	Night Hawk Resources Ltd.	43 884.00
Forward 1984-2 Drilling Program	8 587 658.00	Joss Expl. 84 Ltd. Part.	89 046.00	Noranda Inc.	523 066.00
Fossil 82-1 Prog.	60 624.00	Joule Resources Inc.	90 610.00	Norcen Energy Resources Limited	21 372 782.00
Fossil Res. 83-A Energy Program	271 736.00	Junius Investments Ltd.	45 044.00	Norcen International Ltd.	1 400 321.00
Fossil Res. 84-A Energy Program	80 597.00	Jylene Resources K & K Enterprises Ltd.	42 925.00	North American Life Assurance Ltd.	246 133.00
Fossil Resources Ltd.	198 563.00	Kamron Res. Ltd.	25 937.00	North Canadian Oils Limited	3 520 717.00
Francisco Pet. Enterp. Inc.	47 128.00	Karon Resources Ltd.	122 228.00	Northcor Energy Ltd.	5 979 420.62
Fraser Oil Ltd.	161 578.00	Kennibar Resources Ltd.	121 808.00	Northern Development Company Limited	605 498.00
Frobisher Development Ltd.	219 686.00	Kenting Drilling Co. Ltd.	36 225.00	Northwest Pipe	25 347.00
Gallagher, John P.	103 817.12	Kerr Addison Mines Limited	78 589.00	Nova Ban-Corp. Ltd.	572 641.00
Gaspésie Soc. d'Expl. Pét. et Min. Inc.	34 890.00	Kinstar Resources Ltd.	39 189.00	Nova Scotia Resources (Ventures) Ltd.	15 130 512.00
Geo-Ven Ltd. Part.	168 330.00	Kwail Resources Inc.	33 574.00	Nova, an Alberta Corporation	71 771.00
Geocrude Energy Inc.	238 786.00	L.K. Oil & Gas Ltd.	74 699.00	Numac Oil & Gas Ltd.	28 369.00
Geodata Exploration Serv. Ltd.	35 957.00	Labrador Mining and Exploration Co. Ltd.	32 875 002.00	Oakwood Petroleums Ltd.	13 111 625.00
Gerla, Rodney	35 812.00	Lacana Petroleum Inc.	59 756.00	Ocelot 84-I Dev. Prog.	66 417.00
Giant Reef Petroleums Limited	233 441.00	Lambda Resources Ltd.	27 474.00	Ocelot 84-II Dev. Prog.	33 208.00
Gladstone Petroleum Ltd.	52 639.00	Lew Resources Ltd.	47 672.00	Ocelot 84-III Dev. Prog.	33 208.00
Grace Resources Inc.	37 554.00	Lintus Resources Ltd.	25 122.00	Ocelot 84-IV Dev. Prog.	66 417.00
Grafton Group Ltd.	26 843.00	Lochiel Exploration Ltd.	13 664 548.00	Ocelot 84-VII Dev. Prog.	87 048.00
Great Northern Energy Corp. Ltd.	33 117.00	MLC Oil and Gas Ltd.	5 361 441.00	Ocelot 84-VIII Dev. Prog.	100 559.00
Green Diamond Oil Corporation	35 239.00	MacDonald Realty Ltd.	68 965.00	Ocelot 84-IX Dev. Prog.	33 208.00
Grosmont Resources Ltd.	47 271.00	Mackenzie Delta Energy Limited	11 652 465.00	Ocelot 84-XII Dev. Prog.	36 528.00
Gulf Canada Resources Inc.	87 930 352.00	Macedon Resources Ltd.	132 035.00	Ocelot 84-XIV Dev. Prog.	132 840.00
H.J. Resources Ltd.	33 270.00	Macon Oil & Gas Ltd.	144 910.00	Ocelot Industries Ltd.	1 673 183.00
Halo Oils Ltd.	26 788.00	Madge, Paul	27 971.00	Olympic Pant & Sportswear Co. Ltd.	74 112.00
Harbour Petroleum Co. Ltd.	66 612.00	Magi Resources Ltd.	87 008.00	Omega Hydrocarbons Ltd.	2 937 972.00
Hi-Cam (1983) Ltd. Partnership	78 478.00	Margay Explorations Ltd.	43 474.00	Omni Resources Inc.	53 522.00
Highfield Property Invest. Ltd.	42 002.00	Marjohn Minerals Ltd.	54 819.00	Onexco Oil & Gas Ltd.	3 481 820.00
Hillcrest Resources Ltd.	29 071.00	McLimited Partnership #4	25 173.00	Operating Technical Mgmt. Ltd.	84 433.00
Home Oil Company Limited	58 256 424.00	Meridian Developments Ltd.	49 687.00	Oxvan Holdings Ltd.	27 744.00
Horner, J. Robert	27 793.00	Merland Explorations Limited	394 989.00	PAREX, A General Partnership	38 069 477.00
Hudmac Ltd. Part. #1	81 035.00	Midale Petroleums Ltd.	198 048.00	Paddon Hughes Dev. Co. Ltd., The	43 158.00
Husky Oil Operations Ltd.	101 124 447.72	Mineral Resources International Ltd.	25 709.00	Paladin Petroleum Corporation	129 517.00
ICG Frontier Exploration Ltd.	2 542 596.00	Mobil Oil Canada, Ltd.	34 545 592.00	PanCanadian Petroleum Ltd.	16 909 743.00
ICG Resources Ltd.	10 776 762.00	Morrison Petroleums Ltd.	87 257.00	Panarctic Oils Ltd.	15 098 942.00
Inco Energy Resources Ltd.	178 632.00	Morsky, Rand	37 199.29	PanCana Resources Ltd.	60 615.00
International Chemalloy Corp.	50 606.00	Mosswood Oil & Gas Ltd.	153 197.66	Pang Resources Ltd.	25 164.00
Inverness Petroleum Ltd.	38 032.00	Mount Royal Petroleum Ltd.	156 166.00	Paramount Resources Ltd.	184 696.00
Investors O & G (1984 Tri Link) Ltd. Part.	91 396.00	Murli Resources Ltd.	63 030.00	Parlake Resources Limited	27 823.00
Investors O & G (1982 Tri Link) Ltd. Part.	622 231.00	N.S.M. Resources Ltd.	188 979.00	Passburg Ont. 1983 Ltd. Part.	29 616.00
Investors Oil & Gas (80 Tri-Link)	41 412.00	NOR-SUR Resources Ltd.	31 368.00	Passburg Petroleums Ltd.	70 083.00
J & M Explor. Prog.	38 583.00	Nello Resources Inc.	43 150.00	Patricia Farms Ltd.	25 801.00
J R & S Holdings Ltd.	63 104.00	Nespema Resources Ltd.	6 544 310.00	Pawmark Oils Ltd.	26 053.00
J.C. Exploration Ltd.	167 125.00	New Brunswick Oilfields Ltd.	41 449.00	Pembina Exploration Co. Ltd.	285 167.00
J.C. International Petroleum Ltd.	560 441.00	New Campbell Island Mines Ltd.	92 518.00	Pembina Resources Limited	312 817.00
Jarrold Oils Ltd.	93 087.78	New McManus Red Lake Gold Mines Ltd.	95 638.00		
Jomax Drilling Ltd.	35 500.00	Newscope Resources Limited	533 376.00		



Penwest Petroleum Ltd.	96 420.00	Shawnee Oils Ltd.	29 305.00	Ulster Petroleum Ltd.	129 937.00
Permez Petro. Ltd.	29 153.00	Shell Canada Resources Limited	444 624.00	Ultrape Resources Ltd.	44 973.00
Petro-Canada	381 605 791.00	Shell Exploration Ltd.	657 206.00	Unicorp Resources Ltd.	266 942.00
Petro-Canada Ventures	3 591 677.00	Silver Bay Resources Ltd.	251 735.00	Union Gas Limited	105 709.00
Petroventures Resources Ltd.	520 009.00	Skaha Petroleum Ltd.	34 568.00	Union Oil Company of Canada Limited	74 449.00
Phibro Salomon Inc.	125 405.00	Soc. en Commandite d'Exploration de l'Estrie	34 131.00	Universal Explorations (83) Ltd.	1 331 534.00
Pipestone Petroleum Inc.	53 312.00	Sogepet Limited	268 847.00	Vanguard Petroleum Ltd.	51 193.01
Place Gas & Oil Company Limited	111 419.00	South Ridge Management	44 896.00	Versatile Corporation	59 456.00
Poco Petroleum Ltd.	411 455.00	Southern Res. Ltd.	27 109.41	Victor 83 Prog.	32 655.00
Polaris Petroleum Ltd.	44 702.00	Southward Resources Ltd.	138 106.00	Vista International Petroleum Ltd.	74 472.00
Poplar Developments Ltd.	90 619.00	Standard & Modern Techn. Corp.	27 943.00	Voyager Petroleum Ltd.	933 870.00
Prairie Oil Royalties Company Ltd.	128 991.00	Stream Flo Resources Ltd.	34 391.00	Warana Resources Ltd.	59 001.00
Precambrian Shield Resources Ltd.	1 679 193.00	Sulbath Exploration Ltd.	382 281.00	Wavenrock Resources Ltd.	56 000.00
Primary Exploration Ltd.	33 873.00	Summit Resources Limited	116 866.00	Weir, William A. Wellore Explorations (1980) Ltd.	567 539.00
Prime Energy Ltd.	97 768.00	Suncor Inc.	92 700.00	Wellore Resources Ltd.	173 472.00
Proto Resources and Assoc.	47 630.74	Surf Exploration (1978) Ltd.	98 487.00	Wells Gray Camp Ltd.	185 771.00
Quantex Resources Ltd.	27 651.00	Surjik, David L.	25 544.00	Wesco Oils Ltd.	93 949.00
Quest Drill #1 A Ltd. Part.	77 070.00	Synergy First South-Sask Ltd. Part.	29 662.00	West Delta Resources Ltd.	42 424.00
Quest Drill #2 A Ltd. Part.	87 500.00	T. Bird Oil Ltd.	29 039.86	Westar Petroleum Ltd.	3 448 019.00
Quest Drill #3 A Ltd. Part.	31 043.00	T. Forbes Equip.	68 755.00	Westburne Petroleum & Minerals Ltd.	317 398.00
Quest Drill #4 A Ltd. Part.	215 004.00	TCPL Resources Ltd.	2 349 167.00	Westcoast Petroleum Ltd.	19 479 996.00
Ram Petroleum Limited	510 840.00	Tai Resources Ltd.	42 930.00	Westeel Developments Ltd.	38 034.00
Ranchmen's Resources Ltd.	1 267 423.00	Tangram 84 Expl. Prog.	38 583.00	Western Decalta Petroleum (1977) Limited	1 336 061.00
Randall L. Moffat Hold. Ltd.	49 176.00	Teachers Ret. Res. Inv. Corp. of Manitoba Inc.	105 122.00	Westhill Management Ltd.	32 026.00
Redgas Ltd.	643 645.00	Teck Corporation Oil & Gas Division	491 285.00	Westmead Limited	129 827.00
Reflection Resources Ltd.	54 499.00	Teck Frontier Corporation	1 529 884.00	Westmin Resources Limited	921 057.00
Remai, Ellen	43 087.00	Télé-Métropole Inc.	482 196.00	Westmount Resources Ltd.	53 155.00
Remai, Frank	87 411.00	Tennyson, Paul C.	46 963.00	Westsun Petroleum & Minerals Ltd.	85 992.00
Remai, Joe	43 451.00	Tesoro Petroleum Corp.	171 276.00	Wildmount Resources Ltd.	163 839.00
Resman Holdings Ltd.	777 854.00	Texaco Canada Resources Ltd.	8 985 286.00	Woolley Resources Ltd.	74 885.00
Resman Oil & Gas Ltd.	310 453.00	Texas East Exploration	316 694.00	Wordsworth Resources Ltd.	53 818.02
Richards, William E.	30 081.00	Thomson Jensen Energy (A Partnership)	829 807.00	YXZ Enterprises Ltd.	38 231.00
Rife Resources Ltd.	596 105.00	Thunderbird 1983 Exploration & Development Programs	126 411.00		
Rio Alto Exploration Ltd.	236 497.00	Tiger Ventures Ltd.	407 507.00		
Romar Resources Ltd.	29 696.00	Tipperary Resources Limited	29 150.00		
Roxy Petroleum Ltd.	1 445 468.00	Tiverton Petroleum Ltd.	41 553.00		
Roy-L Oil and Gas Ltd.	96 307.00	Tomlin Enter. Ltd.	43 884.00		
Royal Bank of Canada	25 417.00	Torquay Invest. Inc.	27 774.00		
Sabre Petroleum Ltd.	32 399.00	Trans World Oil & Gas	193 046.00		
Sadelle Holdings Ltd.	50 081.00	Tri-Link Resources Ltd.	724 695.00		
Samex Res. Inc.	31 462.00	Trillium Exploration Corporation	62 460 598.00		
Sastex Petro-Minerals Ltd.	25 993.00	Tugboat 1983 Exploration and Development Program	96 538.00		
Saul, Francis K.	29 260.00	Twin Saskatchewan 1983 Development Fund	44 014.00		
Sceptre Resources Limited	506 077.81				
Sceptre Saskatchewan 80 Program	60 474.00				
Scotia Energy Resources Ltd.	153 948.82				
Scurry-Rainbow Oil Limited	18 460 855.00				
Sebco Coring & Tonges Ltd.	33 744.00				
Senlac Resources Inc.	129 986.00				

**APPENDIX III****CURRENT PIA PUBLICATIONS**

PIP information kit containing the Act, Regulations, Guide and Application Forms

Applicant's Guide, Petroleum Incentives Program

Office Consolidation of the COCD Act, Regulations and Forms Order

Public List of Canadian Ownership Rates (COR) and Control Status (CS) of Non-Individual and Individual Applicants

**INFORMATION CIRCULARS**

IC-PIA-2	Recent and Anticipated Changes in the COCD Program and PIP
IC-COCD 83-4	Direct Filing by Investors
IC-COCD 84-2	Advance Rulings (COCD)
IC-COCD 84-4	Information Required in an Amended Application
IC-PIP-82-2	Ministerial Approval of Eligible Asset Costs
IC-PIP-83-1	Amendments to Petroleum Incentives Program Regulations
IC-PIP-83-2	Assignment of Petroleum Incentives Payments
IC-PIP-83-4	Advance Rulings (PIP)
IC-PIP-83-8	Amendments to the Petroleum Incentives Program Regulations
IC-PIP-83-9	Amendments to the Petroleum Incentives Program Regulations
IC-PIP-84-1	Amendments to the Petroleum Incentives Program Regulations
IC-PIP-84-2	Amendments to the Petroleum Incentives Program Regulations
IC-PIP-84-3	Substantiation of the Eligibility and Reasonableness of Geophysical Expenses
IC-PIP-84-4	Geological, Geochemical or Geophysical Expenses
IC-PIP-84-5	Amendments to the Petroleum Incentives Program Regulations
IC-PIP-84-6	Amendments to the Petroleum Incentives Program Regulations
IC-PIP-85-1	Phase-out of the Petroleum Incentives Program
IC-PIP-85-2	Amendments to the Petroleum Incentives Program Regulations
IC-PIP-85-3	Amendments to the Petroleum Incentives Program Regulations
IC-PIP-85-4	Application Procedures — Transition and Grandfathering Period
IC-PIP-85-5	Waiver of PIP against PGRT

**INTERPRETATION BULLETINS**

IB-COCD 83-4	Definition of Equity-Related Persons
IB-COCD 83-5 (Rev.)	COR of Private Trusts
IB-COCD 84-2	Prescribed Circumstances
IB-COCD 84-4	Flow-through Units
IB-COCD 84-5	Investors Reusing Previously Determined Canadian Ownership Rates
IB-PIP-82-1	Adjustment of Production Penalty Expenses on Canada Lands
IB-PIP-83-1	Canadian Exploration and Development Overhead Expense
IB-PIP-84-1	Equipment Lease Rentals, Sub-lease Payments, Service Fees and Termination Payments

**GUIDELINES**

G-COCD 84-1	The Effect of Informal Equity in the Measurement of Canadian Ownership Rates (Oil and Gas)
G-COCD 84-2	Exercise of Ministerial Discretion in the Case of Forward Equity Containing a Restriction on Conversions
G-COCD 85-1	Beneficial Canadian Ownership Calculations for a Class of Shares
G-PIP-82-1	Ministerial Relieving Discretion Centring on the Well Requirements
G-PIP-83-2	Evidence Satisfactory to the Minister for Approved Holder Status
G-PIP-83-3	Ministerial Relieving Discretion Exemption From Adjustment Provisions — Mini-Safeguarding
G-PIP-84-1	Ministerial Discretion for Relief from Certain Adjustments on Provincial Lands



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